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FORT WAYNE MILK MARKET NEWS

Federal Milk Order No. 32
U. S. Department of Agriculture
Dairy Division
Agricultural Marketing Service

Market Administrator
507 Strauss Building
809-11 S. Calhoun St.
Fort Wayne 2, Indiana

FEB 20 1956

Issued for Information of Producers
Who Are Not Members of Cooperative Associations

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March 1957

FEBRUARY UNIFORM PRICE \$4.08

A uniform price of \$4.08 per cwt. was computed for 3.5% milk delivered by producers to handlers subject to the Fort Wayne Milk Order. For milk of a higher or lower test this price will be adjusted by a butterfat differential of 6.8 cents for each one-tenth of one percent that individual tests vary above or below the 3.5 percent standard. This minimum price is subject to the applicable marketing service deduction, authorized hauling charges and transportation tax. The computation of this blend price is shown on page 4 and the class prices on page 3.

The \$4.08 price for February 1957 is 43 cents above the February price of a year ago. It is 8 cents below the January 1957 price.

PRODUCTION AND UTILIZATION

Dairy farmers shipped 7.4 million pounds of milk to the Fort Wayne market during February 1957. This is 2.0 million pounds or 22% less milk than a year ago. 5.1 million pounds; 68% of the total milk production, was utilized as Class I milk (fluid milk and cream products) by the Fort Wayne handlers.

Detailed information on the utilization and classification of all milk receipts required to be reported by handlers is shown in the table on page 2.

Average production per farm per day was 310 pounds for February 1957 as compared with 314 pounds a year ago, or a decrease of slightly over 1%. Producers on the market for February 1957 numbered 856, which is 184 less than a year ago.

DAIRY SUPPORT PRICES FOR 1957

The U. S. Department of Agriculture has announced that current dollar and cents support prices for manufacturing milk will continue at the present rate of \$3.25 per cwt. for milk testing 3.95% butterfat. This means that the Department will continue to purchase butter, cheese and milk powders in sufficient quantities to maintain this national average price of \$3.25.

MARCH 1957, SUPPLY-DEMAND ADJUSTMENT - Plus 10¢

The gross volume of Class I utilization for the months of January and February 1957, of 12,548,894 pounds divided by the total volume of producer receipts for these months of 15,215,064 pounds produced a Class I utilization percentage of 82%. The standard utilization percentage for March is 78%. This difference of +4% is the net utilization percentage for March. The supply demand adjustment for March 1957, based on the plus 3 or plus 4 bracket is +\$.10. The regular class differential is \$1.15, therefore the total difference between the March Class I and Class II price will be \$1.25.

UTILIZATION AND CLASSIFICATION OF ALL MILK RECEIPTS

	February 1957		February 1956	
	Reported		Audited	
	<u>Milk Pounds</u>	<u>BF Pounds</u>	<u>Milk Pounds</u>	<u>BF Pounds</u>
<u>CLASS I MILK</u>				
Fluid Milk	5,228,349	183,599	5,562,740	196,179
Fortified Skim Milk	203,137	2,911	153,253	1,795
Skim Milk	40,985	65	41,537	59
Buttermilk	69,278	562	81,213	821
Flavored Milk/Drink	284,076	5,589	300,400	5,697
Cream Mixtures	95,220	11,418	90,615	11,104
Light Cream	28,352	5,571	37,131	7,577
Heavy Cream	10,313	3,728	12,315	4,541
Sour Cream	4,396	809	2,349	443
Ice Cream Mix in Bottles	1,160	126	80	9
Condensed Skim - Reconstituted	-0-	-0-	16,818	-0-
Sub Totals	5,965,266	214,378	6,298,451	228,225
Plus Unaccounted For	6,819	2,346	7,113	2,400
Gross Total Class I Milk	5,972,085	216,724	6,305,564	230,625
Less Other Source Receipts	911,068	30,476	1,082,988	36,487
Less Overages	-0-	-0-	-0-	-0-
<u>CLASS I PRODUCER MILK IN POOL</u>	<u>5,061,017</u>	<u>186,248</u>	<u>5,222,576</u>	<u>194,138</u>
<u>CLASS II MILK</u>				
Used by Pool Plants in the				
Manufacture of Class II Items	3,971,653	63,391	4,164,116	101,215
Sales to Non-Pool Manufacturing				
Plants	1,270,910	137,986	2,886,877	181,926
Inventory Variation	- 30,792	+ 1,999	+ 54,185	- 194
Dumped or Livestock Feed	7,990	120	13,832	201
Class II Shrinkage	91,856	9,053	55,839	8,073
Gross Total Class II Milk	5,311,617	212,549	7,174,849	291,221
Less Other Source Receipts	2,936,112	110,890	2,913,715	115,288
Less Overages	541	541	6,485	-0-
<u>CLASS II PRODUCER MILK IN POOL</u>	<u>2,374,964</u>	<u>101,118</u>	<u>4,254,649</u>	<u>175,933</u>
<u>TOTAL PRODUCER MILK IN BOTH CLASSES</u>	<u>7,435,981</u>	<u>287,366</u>	<u>9,477,225</u>	<u>370,071</u>

UTILIZATION PERCENTAGES

	February 1957		February 1956	
	<u>Milk</u>	<u>B. F.</u>	<u>Milk</u>	<u>B. F.</u>
Producer Milk Utilized in Class I	68.06	64.81	55.11	52.46
Other Source Milk Utilized in Class I	23.68	21.56	27.10	24.04
Producer Milk Utilized in Class II	31.94	35.19	44.89	47.54
Other Source Milk Utilized in Class II	76.32	78.44	72.90	75.96

AVERAGE TESTS

Average Test of Producer Milk Class I	3.68	3.72
Average Test of Producer Milk Class II	4.26	4.14
Average Test of Total Producer Milk	3.86	3.90

STATISTICAL SUMMARY FOR FEBRUARY 1957

Order No. 32, as Amended	February 1957 Reported	January 1957 Reported	February 1956 Audited	February 1955 Audited
Gross: Class I Milk (Lbs.)	5,972,085	6,576,809	6,305,564	5,986,945
Class II Milk	5,311,617	5,381,952	7,174,849	5,599,276
Total Gross Utilization	11,283,702	11,958,761	13,480,413	11,586,221
Daily Class I Milk (Lbs.)				
In Marketing Area	173,022	173,164	171,945	164,997
Outside Marketing Area	40,023	38,752	45,243	48,309
Unaccounted For	244	239	245	513
Total Daily Class I Milk	213,289	212,155	217,433	213,819
Daily Class I Milk Compared With:		+ 0.5%	- 1.9%	- 0.0%
Received From:				
Producers (Lbs.) Class I	5,061,017	5,580,927	5,222,576	5,109,308
Class II	2,374,964	2,198,156	4,254,649	2,645,280
Total	7,435,981	7,779,083	9,477,225	7,754,588
Other Sources	3,847,180	4,176,123	3,996,703	3,824,841
Overages	541	3,555	6,485	6,792
Total Receipts	11,283,702	11,958,761	13,480,413	11,586,221
Daily Production	265,571	250,938	326,801	276,950
Daily Production Compared With:		+ 5.8%	- 18.8%	- 4.1%
Percent Gross Class I Milk Lbs. are to Producer Milk	80.3%	84.5%	66.5%	77.2%
Number of Producers	856	853	1,040	1,129
Daily Pounds of Milk Delivered per Farm	310	294	314	245
Producers' Average Butterfat Test:	3.86%	3.97%	3.90%	3.84%
Class I Price	\$4.427	\$4.510	\$4.112	\$3.978
Class II Price	3.177	3.260	3.062	3.028
Uniform Price, F. O. B. Fort Wayne	4.08	4.16	3.65	3.67
Handler Butterfat Differentials:				
Class I	\$.077	\$.077	\$.075	\$.075
Class II	.068	.068	.066	.066
Producer Butterfat Differentials:	\$.068	\$.068	\$.066	\$.066
Value of Local Production	\$319,304	\$349,718	\$371,242	\$301,894
Value of Production per Farm	373	410	357	267
Non-Fat Dried Milk Solids Price	\$.1424	\$.1428	\$.1414	\$.1457
Cheddar Cheese Price	.3469	.3456	.3306	.3294
92-Score Butter Price, Chicago	.5938	.5939	.5738	.5739
Mft. Pay Price (4 plants)	3.177	3.260	3.062	2.956
Butter-Cheese Formula Price	2.836	2.835	2.733	2.731
Butter-Skim Powder Formula Price	3.084	3.088	2.992	3.028

All prices quoted are for 3.5% milk.

FEDERAL MILK MARKET ADMINISTRATOR
FORT WAYNE INDIANA MARKETING AREA

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United States Secretary
of Agriculture
Order No. 32, as Amended

507 Strauss Building
809-11 S. Calhoun Street
Fort Wayne 2, Indiana

ANNOUNCEMENT AND COMPUTATION OF UNIFORM PRICE FOR FEBRUARY 1957
(Based on Reports of 10 Handlers)

Uniform Price - \$4.08 /Cwt., for 3.5% Milk

ALLOCATION AND VALUE OF PRODUCER MILK

	<u>POUNDS</u>	<u>VALUE CWT.</u>	<u>TOTAL VALUE</u>
Class I Butterfat	186,248	\$78.732	\$146,636.79
Skim	<u>4,874,769</u>	1.732	<u>84,430.99</u>
Product	5,061,017	<u>\$ 4.566</u>	\$231,067.78
Class II Butterfat	101,118	\$68.797	\$ 69,566.16
Skim	<u>2,273,846</u>	.797	<u>18,122.55</u>
Product	<u>2,374,964</u>	<u>\$ 3.692</u>	<u>\$ 87,688.71</u>
Total Producer Deliveries Pooled	7,435,981	\$ 4.287	\$318,756.49
Add: Overage Value		.005	372.19
Add: Other Source Milk in Class			
I Assessment		.002	175.90
Total Value of Pooled Milk		\$ 4.294	\$319,304.58
Subtract: Butterfat Adjustment to 3.5% Milk		.248	18,432.53
Add: Cash Balance at March 8, 1957		.082	6,062.37
Subtract: Reserve (between 4¢ & 5¢)		<u>.048</u>	<u>3,546.40</u>
* Announced Uniform Price - 3.5% Milk		<u>\$ 4.08</u>	<u>\$303,388.02</u>

PRODUCER UNIFORM PRICES AT BUTTERFAT TEST FOR FEBRUARY 1957
(F. O. B. Fort Wayne, Indiana)

Test	Price	Test	Price	Test	Price	Test	Price
3.25	\$3.910	3.75	\$4.250	4.35	\$4.658	4.95	\$5.066
3.30	3.944	3.80	4.284	4.40	4.692	5.00	5.100
3.35	3.978	3.85	4.318	4.45	4.726	5.05	5.134
3.40	4.012	3.90	4.352	4.50	4.760	5.10	5.168
3.45	4.046	3.95	4.386	4.55	4.794	5.15	5.202
		4.00	4.420	4.60	4.828	5.20	5.236
<u>3.50</u>	<u>4.08</u>	4.05	4.454	4.65	4.862	5.25	5.270
		4.10	4.488	4.70	4.896	5.30	5.304
3.55	4.114	4.15	4.522	4.75	4.930	5.35	5.338
3.60	4.148	4.20	4.556	4.80	4.964	5.40	5.372
3.65	4.182	4.25	4.590	4.85	4.998	5.45	5.406
3.70	4.216	4.30	4.624	4.90	5.032	5.50	5.440

* IMPORTANT: The announced uniform price of \$4.08 cwt., is subject to a butterfat differential of \$.068 cwt., for each 1/10 of 1% butterfat content variance from 3.5%. This price is subject to the applicable marketing service deduction together with the authorized hauling charges and the 3% transportation tax.

March 8, 1957

R. J. Connolly
Market Administrator

